- as I possibly could. I'm just -- can I get some
- clarification on that? I'm sort of at a loss now. My brain
- 3 is just sort of twisted. I don't understand if this is a
- 4 hearing to -- is this a hearing to revoke the license?
- JUDGE LUTON: Yes, it is.
- 6 MR. PETERSON: Okay. It was my understanding that
- 7 in the initial hearing that if we put the station back on
- 8 the air, meaning UHD put the station back on the air, that
- 9 we would -- this hearing would be null and void, so to
- speak, and that they would withdraw their petition to take
- 11 the license.
- JUDGE LUTON: Well, I can't speak for the Bureau,
- 13 but I rather doubt that the Bureau made any such agreement
- 14 with you. Maybe they did. Let's ask Mr. Zauner. I don't
- 15 know.
- MR. ZAUNER: Your Honor, I believe that what Mr.
- 17 Peterson is talking about is the pre-hearing conference that
- 18 was held on May 8th, 1996 in this proceeding in which he
- 19 participated, I believe, also by speakerphone. And at that
- 20 conference, I stated, "You know, there are no promises on
- 21 the part of the Mass Media Bureau. And these new silent
- 22 station cases, I'm not sure what the policy is going to be
- 23 with regard to them."
- 24 And Your Honor responded, "Yes. Everybody
- understands that Mr. Zauner made no promise of any kind."

- 1 And that's at transcript page 11.
- I think it is quite clear that no promises were
- 3 made or intended. I think that resolves that point.
- JUDGE LUTON: The Bureau's position, Mr. Peterson,
- 5 is that no promise was made that the Bureau would withdraw
- 6 its action if they showed an ability to put the station back
- 7 on the air.
- 8 MR. ZAUNER: And, Your Honor, the discussion of
- 9 putting this station back on the air by the licensee was in
- 10 the context of the transfer or assignment of the station to
- 11 a third party to put the station back on the air. And I
- said right now and I'm reading from page 12, "Right now, it
- would appear that the Bureau's policy is that it would have
- 14 to be the licensee that would put the station back on the
- 15 air."
- 16 I did not say that having done that, that that
- 17 would be sufficient to warrant renewal of the station's
- 18 license.
- 19 JUDGE LUTON: Okay.
- MR. ZAUNER: I'm sorry. Non-revocation of the
- 21 station's license.
- MR. CINNAMON: Your Honor, if I might help?
- I think the confusion may be in Mr. Zauner's
- statement on page 10.
- JUDGE LUTON: I don't really think it's necessary

- for us to beat on this thing here, really, about who said
- what. I mean even if the Bureau had made a promise such as
- is claimed here, it just wouldn't -- the case has come to
- far for that to even to have mattered. Again, I don't
- 5 believe the Bureau made any such promise. I was at that
- 6 conference and I have no recollection that any such promise
- 7 was made. But even if it was, I am not here to debate
- 8 whether or not that promise should be enforced or whether it
- 9 means that by showing an ability to get the station back on
- 10 the air, this case would go away, would be moot or something
- as Mr. Peterson said. That's no concern of mine. I,
- 12 consequently, am not going to talk about it anymore or spend
- any more time talking about it, I should say. Instead, the
- 14 record is closed.
- 15 MR. ZAUNER: Your Honor?
- JUDGE LUTON: Yes.
- 17 MR. ZAUNER: The Bureau had noticed Mr. Peterson
- 18 for cross-examination.
- 19 JUDGE LUTON: It sure had.
- 20 MR. ZAUNER: On his statement. And we have not
- 21 had an opportunity to cross-examine Mr. Peterson.
- JUDGE LUTON: All right. That record is unclosed,
- 23 then.
- Mr. Peterson, Mr. Zauner is going to ask you some
- 25 questions about your testimony.

1	MR.	PETERSON:	Okay.
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- 2 REDIRECT EXAMINATION
- 3 BY MR. ZAUNER:
- 4 Q You indicate in your statement that you required
- 5 KUHD I believe on September 9th, 1993, is that correct?
- 6 A Yes, sir.
- 7 Q And then you say subsequently that it went silent.
- 8 When did KUHD go silent?
- 9 A We initially filed our STA on the January the 6th
- 10 of 19 --
- 11 Q '95.
- 12 A '95, right.
- We took the station dark, according to FCC
- instructions on August the 18th, 1994 and notified the FCC
- 15 by telephone.
- 16 Q And that's August 18th, 1994?
- 17 A Yes, sir.
- 18 Q Am I correct that you did not have the station on
- 19 the air for even a one-year period before going silent?
- 20 A No, sir. The station had been on the air
- 21 continuously for 15 years. Under my licensee, it had not
- 22 been on the air for one year.
- 23 Q Let me call your attention to your Attachment A.
- On January 6th, 1995, you indicated to the Commission that
- you expected to return KUHD to the air and be operational

- within the next 90 days. Isn't that correct?
- 2 A That was my statement at the time, yes, sir.
- 3 Q In fact, you did not return the station to the air
- 4 within the next 90 days, did you?
- 5 A No, sir, we did not.
- 6 Q In fact, what happened was that in February 28th,
- 7 1995, the assets of the station were seized. Is that not
- 8 correct?
- 9 A A portion of the assets were seized by Janet
- 10 Chance, the tower site property owner.
- 11 Q What assets were seized? Was your transmitter
- 12 seized?
- 13 A Yes. The transmitter and the microwave receiver,
- 14 the towers, all the underwire ground system, the out
- buildings, so forth and so on.
- 16 O Did you continue to have access to your
- 17 transmitter site after February 28th, 1995?
- 18 A Did I continue to have access to it?
- 19 O Yes.
- 20 A I would say yes I did. I still maintained the key
- 21 to it and I knew where the assets were located and I even
- 22 went on the property at a later date and mowed for them with
- 23 my own tractor.
- Q And you indicate that on March 8th, 1995, the
- 25 assets of the station were sold at public auction. Is that

- 1 correct?
- 2 A Yes, sir. They were sold at public auction for
- 3 the amount of indebtedness owed to Janet Chance who is the
- 4 lessor.
- 5 Q That is the assets were sold then to pay the rent
- on the property where the antenna had been located?
- 7 A Yes, sir.
- 8 O You also indicate that Under His Direction owed
- 9 back rent to the studio site on McKee Towers.
- 10 A Is that a question or a statement, sir?
- 11 Q No, it's just a statement. The question will be
- 12 coming. Give me a second, please.
- 13 A Okay.
- 14 Q Thank you.
- Did McKee Towers ever force a public sale of
- 16 property of KUHD that was on its premises?
- 17 A Yes, sir. On January the 30th, when I was told
- what I needed to do, on January the 31st, I communicated --
- 19 well, actually, on the 30th, I communicated with Ms. McKee,
- 20 the owner of the studio site and asked that in order for
- 21 this procedure to possibly go through and the license to
- transfer to another party that she would have to foreclose
- on me and take possession of the assets so that Vision
- 24 Latina would have an opportunity to buy them from her. And
- as of January 31st, I received a letter from her stating

- that she was going to sell those assets at public auction.
- 2 And she did, in fact, sell those assets 10 days later at
- 3 public auction to herself for the amount of indebtedness.
- 4 Q So then is it correct to say that sometime in
- January 1996 Under His Direction, Inc., had no assets from
- 6 which it could broadcast or for the purpose of broadcasting?
- 7 Let me phrase it that way.
- 8 A Yes, that's a correct statement.
- 9 Q Now, you indicate in the last paragraph on page 1
- of your testimony that there were negotiations between CCC
- and UHD. And I presume CCC being the previous owner of
- 12 KUHD. That resulted in conveyance in lieu of foreclosure.
- Am I correct that what you were doing was trying
- 14 to give the station back to CCC?
- 15 A Yes, sir. I had initiated an agreement in May of
- 16 1995 with CCC through their attorney, Gary Coker in
- Beaumont, Texas, that they would buy the assets from Ms.
- 18 McKee. They would buy the assets from Ms. Chance and I
- 19 would return the license to them for the release of the
- indebtedness of \$60,000 to them and that was the extent of
- 21 our agreement.
- Q Does Under His Direction still CCC money?
- 23 A I'm sorry. Go ahead.
- Q That's okay. Does Under His Direction still owe
- 25 CCC money?

1	A It may be a point of law in Texas that I don't
2	because they failed to file any liens against the properties
3	in Texas, either in Orange County or Jefferson County, and
4	an attorney who advised me back in that year in March or
5	April of 1995 told me that if they did not have a lien in
6	place, they lacked the ability to foreclose and it is now my
7	understanding that because they did not initiate and carry
8	through with the agreement in conveyance in lieu of
9	foreclosure that they no longer have the ability to pursue
10	me legally for the money owed to them.
11	Q You speak of an agreement. What agreement did you
12	ever have with CCC in terms of and you refer to it in
13	your testimony as conveyance agreement. Are you referring
14	there to Attachment D to your testimony?
15	A I am referring to an agreement called a conveyance
16	in lieu of foreclosure that was drawn up by Gary Coker and
17	was submitted with my original not my original request,
18	but my request for the STA. Let me see what date it was in
19	the letter here. July the 26th, 1995, I addressed a fax to
20	Ms. Owusu stating that, in the fourth paragraph, "I have
21	enclosed supporting documents and necessary papers to
22	facilitate your approval of this STA request."

lieu of foreclosure, that you're referring to, Attachment D to your testimony?

23

24

25

Q

My question is, is that attachment, conveyance in

- 1 A I'm not certain what Attachment B is. What do you
- 2 have there?
- 3 Q Do you have a copy of the exhibits that you
- 4 submitted to the Commission?
- A I have them, but I do not have them in the order
- 6 that you have them, apparently. I have them broken out in
- 7 several different places. So, can you tell me what the
- 8 first page says?
- 9 Q What I have is a document that says, "Attachment
- 10 D" in the upper right-hand corner. And underneath that, it
- 11 says, "Conveyance in Lieu of Foreclosure." Below that is
- what looks like a form agreement. And the first words are,
- "This agreement executed this."
- 14 A Yes, that is it. My signature should be attached
- and notarized to that, that I did in fact sign that and sent
- it to CCC, the address in No Show, Missouri, for their
- 17 signatures -- for it to be completed and sent back to me.
- 18 O Did Christian Crusade ever sign this agreement?
- 19 A They never did. They drug their feet and drug
- their feet and never did do anything.
- 21 Q So, isn't it a fact that you never did have an
- agreement with the Church of the Christian Crusade, CCC?
- 23 A No, it's not a fact. The agreement is right there
- 24 in front of you. Their attorney locally drew it up. I
- 25 signed that and had it notarized in good faith. I would

- think that a notarized signature is proof that I in good
- 2 faith signed an agreement. Whether or not it's dated and
- 3 signed by them, if that's the point you're going for, my
- 4 proof and state of mind is the fact that, yes, in good
- faith, I had negotiated my end of that agreement.
- 6 Q This indicates that, I believe, that you signed
- 7 the agreement in May of 1995, what's titled an agreement in
- 8 May of 1995. Is that correct? Is that when you signed this
- 9 agreement? Placed your signature on it?
- 10 A Let me look at my copy and I'll tell you exactly.
- 11 Yes, on the 26th day of May, 1995, I signed it in
- 12 the offices of Gary Cocker and it was notarized was their
- 13 secretary, Lori LaBove.
- 14 Q Let me call your attention to Attachment E which
- is a letter on the letterhead of "Under His Direction,
- 16 Inc., " dated July 26th to a Ms. Owusu, O-W-U-S-U, and signed
- 17 by yourself.
- 18 A Yes, sir.
- 19 Q Isn't it a fact that you say in there, "Our
- 20 application for transfer control should follow this request
- 21 within 30 days."
- 22 A Yes. That's exactly what it says.
- 23 Q And did it, in fact, follow within 30 days?
- A No, because part of the agreement that Church of
- 25 the Christian Crusade had initiated said that they would

- file the agreement and that they would be responsible for
- 2 paying for the agreement and everything.
- When they didn't file, when you didn't get a copy
- 4 of what you term an agreement within 30 days, what did you
- 5 do, if anything, with regard to your representation to the
- 6 Commission that the application for transfer of control
- 7 should follow within 30 days?
- 8 A I had several conversations with J.P. Williams who
- 9 is the business manager for Church of the Christian Crusade
- 10 and their CPA as to why they were hesitating on doing the
- 11 agreement. And they said that they were having trouble
- reaching an agreement with Ms. Chance who owned the 28 acres
- 13 where the tower sat. They also told me that they were
- 14 having a problem coming up with that much money. They were
- 15 having other things that they were trying to accomplish and
- do. And they just continued to stall.
- 17 Q Well, when they told you these things, did you
- 18 ever seek to withdraw your conveyance in lieu of
- 19 foreclosure? That is, to cancel it?
- 20 A No, sir. I did not attempt to cancel it because I
- 21 didn't want to be stuck with the \$60,000 debt and lawsuits
- from everybody involved in the radio station assets.
- 23 Q Did you seek legal advice on what you could do?
- 24 A Yes, I did. I sought legal advice from an
- 25 attorney in Houston named Frank Sommerville, who handles

- 1 KSBJ, a large Christian radio station in the Houston market.
- Q Did you ask CCC when they were going to get the
- 3 money to put the station back on the air?
- 4 A Continually I asked them when they were going to
- 5 get the money.
- 6 Q And what did they tell you?
- 7 A And, as usual, they dodged the question.
- 8 Q And you permitted them to dodge the question?
- 9 A My relationship with them had been such that the
- 10 reason I was able to buy the station in the first place is
- 11 because they defaulted on an agreement, an employment
- agreement with me and were unable to pay me. And part of my
- 13 employment agreement was that if they could not pay me my
- 14 salary, I would have an option to purchase the station
- within six months, and I did so.
- 16 Q And at this point, you are now counting on a
- 17 company which couldn't pay you a salary and forfeited on an
- 18 agreement to purchase your station?
- 19 A What agreement are you saying they forfeited on?
- Q Well, you told me that they didn't pay you salary
- 21 and that's how you came to get the station in the first
- 22 place. Is that not correct?
- 23 A They did not have the ability to pay me. They
- were going to borrow the money from a bank locally on the
- assets and the station, and a bank would not lend money on

- assets any more than they wanted to lend money on a cash
- 2 flow statement and income loss and as the station existed,
- 3 it was losing money every year and the bank chose not to
- 4 loan them any money. Therefore, they decided to actually
- sell me the station because they couldn't pay me.
- 6 Q Well, given that history, how did you expect them
- 7 to buy the station from you pursuant to this --
- 8 A In 1994, late 1994, Dr. Harvis owned a 300-acre
- 9 ranch and a real beautiful home and he sold that for half-a-
- 10 million dollars, cash. And he has a television ministry
- that is continuing to this day. He has a newspaper he
- publishes that goes out to 25,000 subscribers worldwide. I
- knew they had the money, I just didn't know when they'd get
- 14 off of it.
- So, you knew they had the money, but they were
- telling you they didn't have the money and you continued to
- 17 go along with that. Is that correct?
- 18 A It's a common practice in business, Mr. Zauner,
- 19 that people who have money tell you they don't so they can
- 20 try to have leverage and do whatever they want to do down
- 21 here in Texas and it's just -- I knew they were playing a
- game with me and stringing me out. For whatever purpose,
- 23 they were stringing out Ms. Chance. They were stringing out
- 24 Ms. McKee to probably get the best deal they could telling
- them, "I don't have that much money. We can't do it for

- 1 \$50,000. We can't do it for 60,000. We can't do it for 7.
- We can't do it for 8." To constantly trying to get a better
- deal from these two ladies and I'm sure that's why they were
- 4 dragging their feet.
- 5 Q Well, you signed this conveyance in lieu of
- foreclosure in May of 1995 and they still hadn't signed by
- 7 January of 1996. Isn't that correct?
- 8 A That is correct.
- 9 Q Were you beginning to get skeptical on this
- 10 matter?
- 11 A I was beginning to get very concerned because I
- knew my STA was going to expire and they were holding me,
- what I considered it, holding me up for ransom, trying to do
- something to some party involved and force us into letting
- assets go or forcing one of the ladies into letting one of
- the assets go for pennies on the dollar.
- 17 Q Did you tell the people at the Christian Crusade
- that you had told the FCC that you would have an assignment
- 19 application filed within 30 days?
- 20 A Yes, I did. They knew all of that.
- 21 Q In your statement, you indicated that you were
- 22 told that there was no assignment application that had ever
- been prepared by CCC. When did you first learn that no
- 24 assignment application had ever been prepared?
- 25 A According to my phone records of calls made to

- them and calls returned to me, I called them on the 28th and
- they returned my call apparently on the 30th, that morning,
- 3 or either on late in the evening, late the 29th. I'm not
- 4 exact on the date, but I know it prompted me to call the FCC
- 5 immediately. And they informed me that they were not going
- 6 to pursue the foreclosure, the conveyance in lieu of
- 7 foreclosure, at which time I also called their local
- 8 attorney and asked them what would be the procedure for
- 9 canceling that agreement. And they informed me that the
- 10 Church of the Christian Crusade had released them as their
- attorney of record in November, which really infuriated me
- because they in fact were stringing me and everyone else
- along telling us that we were going to continue, we had the
- 14 six months to do it in and so forth and so on. And then
- they tell me three days or two days prior to the expiration
- 16 of an STA that they have no intention of doing it. And when
- 17 I communicated with their attorney, they said they had been
- released as attorney of record in November of 1994 or 1995,
- 19 whatever year we're talking about. '95. So, that's when I
- 20 knew and that's when I jumped on this thing to see what
- 21 procedure I needed to do.
- Q Prior to January 30th, 1996, when was the last
- conversation you had with somebody at CCC?
- 24 A Let me see. Without examining my phone records --
- 25 it may take me a minute. Let me check. I have my phone

- 1 bill here. I think I have that phone bill.
- 2 (Pause.)
- No. I don't have that copy of the phone bill. I
- 4 have subsequent copies, but I don't have that one. But I
- 5 believe that my last conversation with them was shortly
- 6 before the Christmas holidays, right after Thanksgiving and
- 5 shortly before the Christmas holiday season started. I
- 8 can't be exact on the date right at this moment.
- 9 MR. ZAUNER: Your Honor, I have no further
- 10 questions.
- 11 JUDGE LUTON: Well, that will be it, Mr. Peterson.
- Now, I'll close the record.
- MR. PETERSON: Your Honor?
- 14 JUDGE LUTON: Yes, sir.
- MR. PETERSON: Before you close the record, am I
- 16 entitled to say anything in my behalf?
- JUDGE LUTON: Are you entitled to say anything in
- 18 your behalf? I don't think so. You're entitled to about as
- 19 far as I would go in trying to determine your entitlement
- 20 here, I would say that you are entitled to answer more
- 21 fully, if you fill the need, any of the -- or address more
- fully the matters brought out by Mr. Zauner on his
- 23 examination of you. Something in the nature of redirect
- 24 examination. I don't know if that's what you had in mind.
- I don't know that that would constitute saying something in

- 1 your behalf. But if what you have in mind is simply making
- a speech, no. No opportunity to do that.
- What did you have in mind, Mr. Peterson, without
- 4 stating it, but just characterizing it for me.
- 5 MR. PETERSON: I wanted to characterize the fact
- 6 that I did and I'm going to bring up Mr. Wagner's name one
- 7 more time, that I did everything according to what the FCC
- 8 instructed me by telephone on the 30th.
- 9 MR. ZAUNER: Your Honor, I'm going to object.
- JUDGE LUTON: You're going to object and I'm going
- 11 to sustain the objection.
- Mr. Peterson, this is --
- MR. PETERSON: I was only trying to characterize
- 14 the statement of what I wanted to say.
- JUDGE LUTON: You mean that wasn't it?
- MR. PETERSON: No. that is not it.
- 17 I'm trying to get to a point that I wanted to make
- 18 about this procedure. We were involved in trying to put
- 19 this station back on the air prior to this Order to Show
- 20 Cause. That's the only statement I want to make is at the
- beginning, the 31st day of January, we began a procedure to
- 22 put this station back on the air --
- 23 JUDGE LUTON: All right. The point is simply
- 24 prior to your receipt or perhaps even prior to the issuance
- of the Order to Show Cause, UHD was engaged in efforts to

- get the station back on the air.
- MR. PETERSON: Yes, sir. That's my point.
- JUDGE LUTON: Okay. Mr. Zauner?
- 4 MR. ZAUNER: Your Honor, just before we go off the
- 5 record, it just dawned on me sitting here, did you at any
- 6 point swear this witness?
- 7 JUDGE LUTON: I did not.
- 8 MR. ZAUNER: I think if the testimony is to have
- 9 any value whatsoever, that he would have to be sworn. We
- 10 could do it after the fact.
- JUDGE LUTON: Going to need to be sworn. You're
- 12 absolutely right. This has been very -- this is no way to
- conduct a hearing, but under the circumstances, that's all
- 14 we can do.
- 15 Mr. Peterson?
- MR. PETERSON: Yes, sir.
- JUDGE LUTON: Mr. Zauner reminds me that you have
- 18 given testimony in a proceeding where the testimony is
- 19 required to be sworn. I didn't swear you at the time, but
- 20 I'm going to do it now. Is that all right with you?
- MR. PETERSON: Yes, sir.
- Whereupon,
- 23 MARK A. PETERSON
- 24 having been duly sworn, called as a witness herein, was
- 25 examined and testified accordingly.

- JUDGE LUTON: Thank you, Mr. Peterson.
- 2 Anything else before I try for the third time to
- 3 close the record?
- 4 MR. PETERSON: No, sir, I'm finished.
- JUDGE LUTON: Okay. No, I didn't mean just you,
- 6 Mr. Peterson, I meant anybody here. I wasn't picking on
- 7 you.
- 8 All right. The record is closed.
- 9 I'm going to ask the parties to give me their
- views of the case in writing by way of what Commission
- 11 practice calls, "Proposed Findings of Fact and Conclusions
- 12 of Law."
- 13 Mr. Peterson, that is simply a written summation
- of a party's views of what the evidence in the case shows by
- way of the facts and in terms of the law what it means under
- the applicable laws and regulations: proposed findings of
- 17 fact and conclusions of law.
- 18 Do you know what I'm talking about, Mr. Peterson?
- MR. PETERSON: Yes, sir.
- 20 JUDGE LUTON: I don't know how much time he
- 21 parties might need. I'm going to try August 28th. That's
- 22 about a month from now. Do you think you can have it done
- 23 by then?
- MR. PETERSON: Yes, sir.
- JUDGE LUTON: Mr. Zauner?

- 1 MR. ZAUNER: Yes, Your Honor.
- 2 Mr. Peterson should be aware, though, that it may
- 3 take him some time to get a transcript of the proceeding.
- 4 He is probably not familiar with that fact. And I'm not
- 5 even sure -- has he ordered a copy of the transcript?
- JUDGE LUTON: I don't know.
- 7 MR. PETERSON: The first hearing I did not order
- 8 it because I thought it was too much money.
- JUDGE LUTON: This one is going to be even more,
- 10 Mr. Peterson.
- MR. PETERSON: Well, I'll manage to get one.
- 12 JUDGE LUTON: Okay. Mr. Zauner's point is that it
- is going to take some while before the transcript is
- 14 prepared, so it will be a while before you receive it so
- that maybe August 28 isn't enough time.
- 16 MR. PETERSON: Do you want to move it forward to
- 17 September 20th or 15th?
- JUDGE LUTON: What do you think, Mr. Zauner? Mid-
- 19 September, end of September for the replies.
- MR. ZAUNER: Fine, Your Honor.
- JUDGE LUTON: Okay. I don't have a calendar
- before me, but I'm am going to do just September 15th and
- 23 September 30th. Does anybody have a calendar to make sure
- 24 these aren't Sundays, here.
- 25 September 15, Mr. Peterson.

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MR. PETERSON: September the 15th is a Sunday.
1
2
                JUDGE LUTON:
                              That's a Sunday.
                                                I was afraid of
     that. Let's make it September the 16th. And then September
3
4
     29th -- that's a Sunday.
                MR. PETERSON: Yes, sir.
5
6
                JUDGE LUTON: Okay. September 30. September 16
7
      for Proposed Findings. Two weeks after that, September
      30th, Mr. Peterson, that's when you should file a Reply to
8
      Proposed Findings. That is to say findings that respond to
9
      the version of the facts that your adversary will have
10
      submitted earlier. Do you follow that, Mr. Peterson?
11
                MR. PETERSON: Yes, sir.
12
13
                JUDGE LUTON: Okay. Well, that's all that I have.
                Anything else by any party, Vision Latina?
14
15
                (No response.)
16
                JUDGE LUTON: All right. Thank you. We'll be in
17
      recess.
                (Whereupon, at 11:58 a.m., the hearing was
18
      concluded.)
19
      //
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      11
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REPORTER'S CERTIFICATE

FCC DOCKET NO.: 96-70

CASE TITLE: UNDER HIS DIRECTION, INC.

HEARING DATE: July 24, 1996

LOCATION: Washington, D. C.

I hereby certify that the proceedings and evidence are contained fully and accurately on the tapes and notes reported by me at the hearing in the above case before the Federal Communications Commission.

Date: 7/24/96

Official Reporter

Heritage Reporting Corporation

1220 "L" Street, N.W. Washington, D.C. 20005

Bonnie J. Niemann

TRANSCRIBER'S CERTIFICATE

I hereby certify that the proceedings and evidence were fully and accurately transcribed from the tapes and notes provided by the above named reporter in the above case before the Federal Communications Commission.

Date: 7/26/96

Officia/ Transcriber

Heritage Reporting Corporation

Dorothy M. Pometo

PROOFREADER'S CERTIFICATE

I hereby certify that the transcript of the proceedings and evidence in the above referenced case that was held before the Federal Communications Commission was proofread on the date specified below.

Date: $\frac{8/1/96}{}$

Official Proofreader

Heritage Reporting Corporation

Barbara Blossom

MMB Exhibit

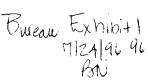
Declaration

I, Glenn Greisman, an Industry Analyst with the Audio Services Division ("ASD"), do hereby state, under penalty of perjury, that to the best of my knowledge and belief the following is true and correct

My duties include the maintenance of records relating to radio stations licensed by the Federal Communications Commission. My duties also include the preparation of routine grants of requests for Special Temporary Authorizations ("STAs") to remain silent. As part of my duties, I have searched the Commission's files for documents related to requests for authority to remain silent filed by Under his Direction ("UHD"), licensee of KUHD(AM), Port Neches, Texas. The documents described below were obtained from official Commission records.

By letter dated January 6, 1995, UHD informed the Commission that "due to extreme financial hardship" it was requesting an STA to remain off the air temporarily. UHD stated that it expected to "be operational within the next 90 days." See letter attached hereto as attachment 1.

Based on the representations made by UHD, the Audio Services Division, by letter dated February 25, 1995, granted UHD's request to remain silent. The letter specified that UHD's



authority to remain silent was to expire "three months from the date of this letter." See letter attached hereto as attachment 2. Subsequently, the February 25, 1995, date on the letter was changed to April 25, 1995. See letter attached hereto as attachment 3.

By letter dated July 26, 1995, UHD informed the Commission that UHD's licensed station, KUHD, was presently off the air and requested a further STA to remain off the air. In support of this request, UHD indicated that it had reached an agreement with the mortgage holder of the assets of KUHD and would be filing a transfer agreement within 30 days. See letter attached hereto as attachment 4.

Based on the representation by UHD that it would be filing an assignment application within 30 days, ASD, by letter dated August 2, 1995, granted UHD's request and authorized KUHD to remain silent until February 2, 1996. See letter attached hereto as attachment 5.

On March 21, 1996, prior to designating UHD for hearing, I attempted to contact UHD at telephone number (409) 727-2177 (the number on UHD's letterhead). I received no answer. Also, prior to designating UHD for hearing, I did a search of the Commission's Broadcast Applications System (BAPS) for any pending applications filed by UHD. I found none.

My search of the Commission's records, prior to designation, did not reveal either any request by UHD for authorization to remain silent following its July 26, 1995, request or a grant by the Commission of any extension of such authority beyond February 2, 1996. The search also did not reveal that UHD had filed the promised assignment application.

Glena Greisman